

DOCKET NO. 13-351F

13-35/F

CK# 103090/L2-8
9.3.13 \$ 100.00

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2013 SEP 3 AM 11 01
DELAWARE P.S.C.



September 3, 2013

Ms. Alisa Bentley, Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

RE: Chesapeake Utilities Corporation – Delaware Division
Gas Sales Service Rates - Effective November 1, 2013

Dear Ms. Bentley:

Enclosed for filing is an original and ten (10) copies of Chesapeake Utilities Corporation's ("Chesapeake") application for a proposed change in its Gas Sales Service Rates ("GSR") to be effective for service rendered on and after November 1, 2013.

Pursuant to the provisions of Chesapeake's GSR tariff clause, Chesapeake submits the following Gas Sales Service Rates to be effective for service rendered on and after November 1, 2013: \$1.008 per Ccf for customers served under rate schedules RS-1, RS-2, GS, MVS and LVS, \$0.536 per Ccf for customers served under rate schedules GLR and GLO, \$0.819 per Ccf for customers served under rate schedule HLFS. The Company also submits the following balancing rates to be effective for service rendered on and after November 1, 2013: \$0.072 per Ccf for transportation customers served under rate schedule LVS, and \$0.015 per Ccf for transportation customers served under rate schedule HLFS, and \$0.001 per Ccf for transportation customers served under rate schedule ITS.

As compared to the rates in effect on November 1, 2012, an average RS-2 customer using 700 Ccf per year will experience an annual increase of approximately 0.7% or \$0.64 per month. During the winter heating season, a typical RS-2 customer on Chesapeake's system using 110 Ccf per month will experience an increase of approximately 0.8% or \$1.21 per winter month. An RS-2 customer using 120 Ccf per month will experience an increase of approximately 0.8% or \$1.32 per winter month.

Chesapeake Utilities Corporation

350 South Queen Street • Dover, Delaware 19904 • 302.734.6797 • 302.735.3061 / fax

www.chpkgas.com

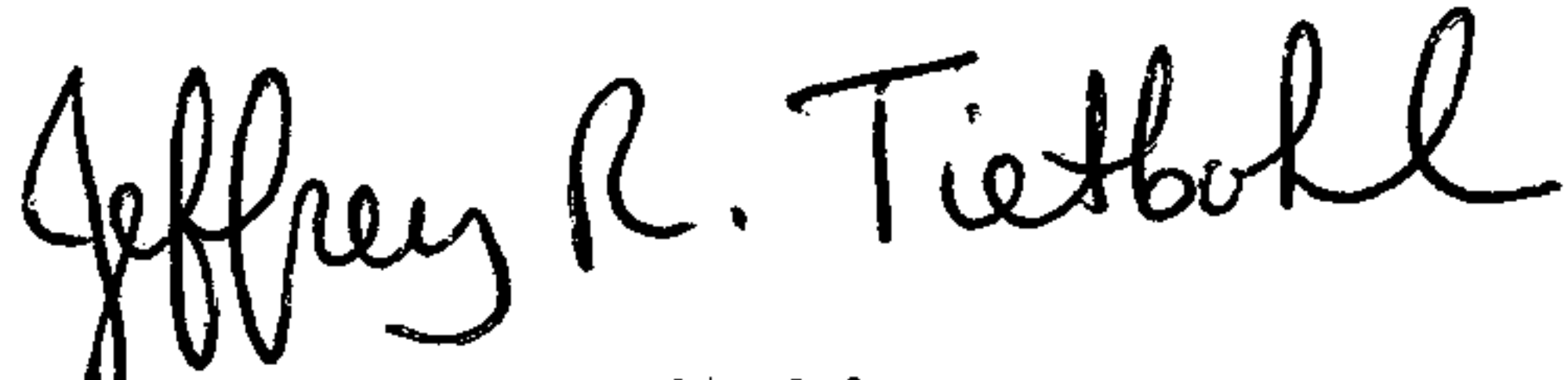
Ms. Alisa Bentley
September 3, 2013
Page 2 of 2

The basis and reasons for the proposed changes are discussed and explained in the testimony and schedules accompanying the enclosed application.

Also, enclosed is the Delaware Public Service Commission's "Filing Cover Sheet" along with the application fee of \$100.00.

Should you have any questions with regard to this submission, please contact me at 302.734.6742.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey R. Tietbohl". The signature is written in a cursive, flowing style.

Jeffrey R. Tietbohl
Vice President

Enclosures

CC: William A. Denman, Esquire
David L. Bonar, Public Advocate
Jason R. Smith (w/o enclosure)

For PSC Use Only:

Docket No. _____

Filing Date: _____

Reviewer: _____

Given to: _____

**DELAWARE PUBLIC SERVICE COMMISSION
FILING COVER SHEET**

1. NAME OF APPLICANT: Chesapeake Utilities Corporation

2. TYPE OF FILING: RATE CHANGE _____
FUEL ADJUSTMENT X
ADMINISTRATIVE _____
CPCN _____
NEW SERVICE OFFERING _____
OTHER _____

IF A TELECOMMUNICATIONS FILING, WHAT TYPE OF SERVICE IS IMPACTED?
(PLEASE CHECK)

BASIC _____ COMPETITIVE _____ DISCRETIONARY _____

3. PROPOSED EFFECTIVE DATE: 11/01/2013

IS EXPEDITED TREATMENT REQUESTED? YES _____ NO X

4. SHORT SYNOPSIS OF FILING: Chesapeake Utilities Corporation proposes to change its GSR charges to be effective with service rendered on and after November 1, 2013.

5. DOES THIS FILING RELATE TO PENDING DOCKETS? YES _____ NO X

IF SO, PLEASE LIST DOCKET(S) NO(S):

6. IS PUBLIC NOTICE REQUIRED? YES X NO _____
IF YES, PLEASE ATTACH COPY OF PROPOSED PUBLIC NOTICE.

7. APPLICANT'S CONTACT PERSON: (NAME) Sarah E. Hardy
(TITLE) Regulatory Analyst II
(TELE. NO.) 302.734.6797 x6201
(FAX NO.) 302.734.6011

8. DID YOU PROVIDE A COMPLETE COPY OF THE FILING TO THE PUBLIC ADVOCATE?

YES X NO _____ IF SO, WHEN? September 3, 2013

9. FILING FEE ENCLOSED: \$100.00
(AMOUNT)

NOTE: House Bill 681, enacted into law 7/13/98, authorizes the Commission to recover the cost of time spent by in-house staff to process all filings initiated after the date of enactment. You may be required to reimburse the Commission for staff time.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
CHESAPEAKE UTILITIES CORPORATION)
FOR APPROVAL OF A CHANGE IN ITS) P.S.C. DOCKET NO. 13-
GAS SALES SERVICE RATES ("GSR"))
TO BE EFFECTIVE NOVEMBER 1, 2013)

CERTIFICATE OF SERVICE

I, Sarah E. Hardy, do hereby certify that on September 3, 2013, a copy of Chesapeake Utilities Corporation – Delaware Division's application for a proposed change in its Gas Sales Service Rates to be effective for service rendered on and after November 1, 2013 was issued to the following persons in the manner indicated:

VIA HAND DELIVERY W/O ENCLOSURE

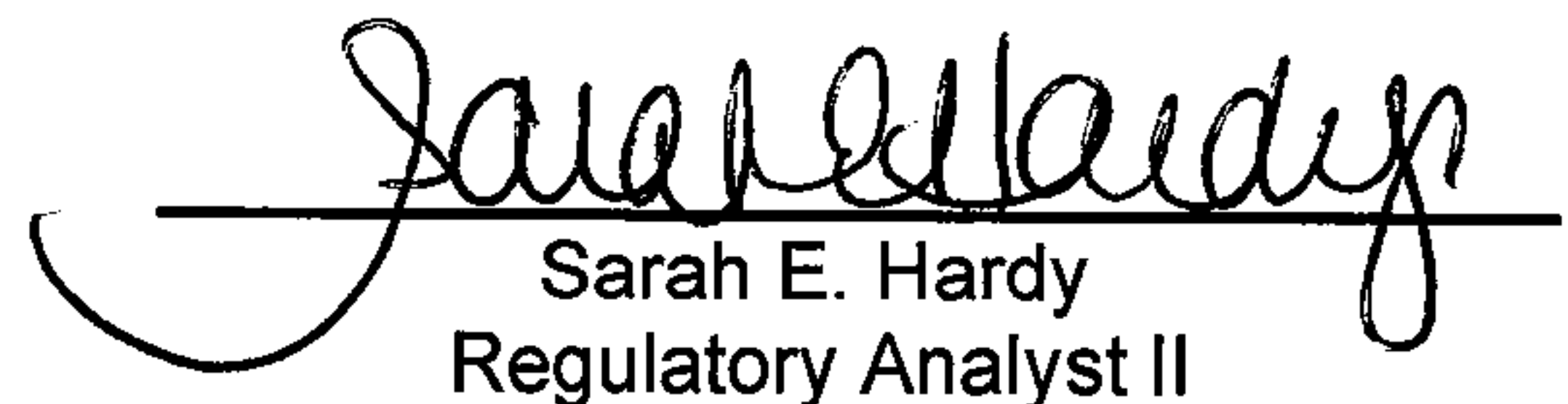
JASON R. SMITH
DELAWARE PUBLIC SERVICE COMMISSION
861 SILVER LAKE BLVD
SUITE 100
DOVER, DELAWARE 19904

VIA HAND DELIVERY

WILLIAM A. DENMAN, ESQUIRE
PARKOWSKI, GUERKE AND SWAYZE P.A.
116 WEST WATER STREET
P. O. BOX 598
DOVER, DELAWARE 19903

VIA OVERNIGHT DELIVERY

DAVID BONAR, PUBLIC ADVOCATE
DIVISION OF THE PUBLIC ADVOCATE
820 N. FRENCH STEET, 4TH FLOOR
WILMINGTON, DE 19801


Sarah E. Hardy
Regulatory Analyst II

"DRAFT"

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)
CHESAPEAKE UTILITIES CORPORATION)
FOR APPROVAL OF A CHANGE IN ITS) PSC DOCKET NO. 13-
GAS SALES SERVICE RATES ("GSR"))
TO BE EFFECTIVE NOVEMBER 1, 2012)
(FILED SEPTEMBER 3, 2013))

PUBLIC NOTICE

**TO: ALL NATURAL GAS CUSTOMERS OF CHESAPEAKE UTILITIES CORPORATION
AND OTHER INTERESTED PERSONS**

Pursuant to 26 *Del. C.* §§303(b), 304, and 306, Chesapeake Utilities Corporation ("Chesapeake" or "the Company") has filed an application (the "Application") with the Delaware Public Service Commission (the "Commission") seeking to change its Gas Sales Service ("GSR") Rates as follows:

Rate Schedule	Present Rate	Proposed Rate
RS-1, RS-2, GS, MVS, LVS	\$0.997 per Ccf	\$1.008 per Ccf
GLR, GLO	\$0.519 per Ccf	\$0.536 per Ccf
HLFS	\$0.817 per Ccf	\$0.819 per Ccf

Compared to the rates currently in effect, an average RS-2 customer using 700 Ccf per year will experience an annual increase of approximately 0.7%, or \$0.64 per month. During the winter heating season, a typical RS-2 customer using 120 Ccf per winter month will experience an increase of approximately 0.8%, or \$1.32 per winter month.

The Company has also proposed the following changes to its firm and interruptible transportation balancing rates:

Rate Schedule	Present Firm Balancing Rate	Proposed Firm Balancing Rate
LVS	\$0.063 per Ccf	\$0.072 per Ccf
HLFS	\$0.022 per Ccf	\$0.015 per Ccf

Rate Schedule	Present Interruptible Balancing Rate	Proposed Interruptible Balancing Rate
ITS	\$0.001 per Ccf	\$0.001 per Ccf

The Commission has permitted the proposed GSR and other rates to become effective with usage on and after November 1, 2013, subject to refund after evidentiary hearings and any other proceedings that may be necessary.

The Commission will conduct an evidentiary hearing, to be scheduled at a later date, concerning this Application. The Commission's final decision will be based on the evidence presented at such hearing.

If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a written petition asking for leave to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 Del. Admin. C. §1001-2.9) **on or before** _____, 2013. All such petitions should be sent to the Commission's address listed above with attention to "PSC Docket No. 13-____." Petitions filed after the deadline of _____, 2013, will not be considered except for good cause shown.

You are invited to review Chesapeake's application and supporting documents to determine how your interests may be affected. You may review documents posted on the Commission's website at <http://depssc.delaware.gov/default.shtml>. If you would like to review documents at the Commission's offices, please contact Monica Hall at monica.hall@state.de.us to arrange a time for your review. You may also review copies of Chesapeake's Application and supporting documents at the office of the Division of the Public Advocate located at the Carvel State Office Building, 4th Floor, 820 North French Street, Wilmington, Delaware 19801. Please call (302) 577-5077 to arrange for a time to review the documents at that location.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. This form may be found at <http://smu.portal.delaware.gov/cgi-bin/mail.php?foia-request&subj=DOS>. There is also a link to the Freedom of Information Act Request Form on the Commission's website, <http://depsec.delaware.gov/default.shtml>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 *Del. C. ch. 100*.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to psc@state.de.us.

Application

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

**IN THE MATTER OF THE APPLICATION OF)
CHESAPEAKE UTILITIES CORPORATION)
FOR APPROVAL OF A CHANGE IN ITS) P.S.C. DOCKET NO. 13-
GAS SALES SERVICE RATES ("GSR"))
TO BE EFFECTIVE NOVEMBER 1, 2013)**

Chesapeake Utilities Corporation (hereinafter sometimes called "Applicant") pursuant to 26 Del. C. 303(b) and 304, makes the following application for approval by the Commission of a change in its Gas Sales Service Rates ("GSR") and balancing rates to be effective for service rendered on and after November 1, 2013:

1. Applicant is Chesapeake Utilities Corporation, 909 Silver Lake Boulevard, Dover, Delaware 19904. All communications should be addressed to the Applicant at the following address, Attention: Sarah E. Hardy, Regulatory Analyst II, 350 South Queen Street, P.O. Box 1769, Dover, Delaware 19903 or at the following email address: shardy@chpk.com. The respective phone number and fax number are 302.734.6797, extension 6201 and 302.734.6011.

2. Counsel for the Applicant is William A. Denman, Esquire, Parkowski, Guerke & Swayze P.A., 116 West Water Street, P.O. Box 598, Dover, Delaware 19903. Correspondence and other communications concerning this application should be directed to counsel at the foregoing address, or at the following e-mail address: wdenman@pgslegal.com. The respective phone number and fax number are 302.678.3262 and 302.678.9415.

3. Pursuant to the provisions of Applicant's Gas Sales Service Rate tariff clause, Applicant requests permission to change Applicant's current Gas Sales Service Rates from positive surcharges of \$0.997 per Ccf for customers served under rate

schedules RS-1, RS-2, GS, MVS and LVS, \$0.519 per Ccf for customers served under rate schedules GLR and GLO, and \$0.817 per Ccf for customers served under rate schedule HLFS, to positive surcharges of \$1.008 per Ccf, \$0.536 per Ccf and \$0.819 per Ccf respectively, with said changes to be effective for service rendered on and after November 1, 2013 and thereafter until changed by further order of the Delaware Public Service Commission.

4. Applicant also requests permission to (a) increase Applicant's firm balancing rate for transportation customers served under rate schedule "LVS" from \$0.063 per Ccf to \$0.072 per Ccf, (b) decrease Applicant's firm balancing rate for transportation customers served under rate schedule "HLFS" from \$0.022 per Ccf to \$0.015 per Ccf, and (c) keep the Applicant's interruptible balancing rate for transportation customers served under rate schedule "ITS" unchanged at \$0.001 per Ccf.

5. The full calculation of the proposed Gas Sales Service Rates is set forth in Schedule A.1 and the calculation of the balancing rates is set forth in Schedule J, both of which are attached to this Application. The reasons and basis for the proposed changes in Applicant's present Gas Sales Service Rates and balancing rates are more fully explained by direct testimony filed herewith.

WHEREFORE, the Applicant prays as follows:

- A. That the Commission file this Application and schedule it for hearing;
- B. That the Commission approve (i) the proposed increase in Applicant's Gas Sales Service Rates to a positive surcharge of \$1.008 per Ccf for customers served under rate schedules RS-1, RS-2, GS, MVS and LVS; (ii) the proposed increase to a positive surcharge of \$0.536 per Ccf for customers served under rate schedules GLR and GLO; (iii) the proposed increase to a positive surcharge of \$0.819 per Ccf for customers served under rate schedule HLFS; (iv) the proposed increase in Applicant's

firm balancing rate for transportation customers served under rate schedule LVS to a positive surcharge of \$0.072 per Ccf; (v) the proposed decrease in Applicant's firm balancing rate for transportation customers served under rate schedule HLFS to a positive surcharge of \$0.015 per Ccf; and (vi) keeping the Applicant's interruptible balancing rate for transportation customers served under rate schedule ITS unchanged at \$0.001 per Ccf; with all of said changes to be effective for service rendered on and after November 1, 2013.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

CHESAPEAKE UTILITIES CORPORATION

BY: Jeffrey R. Tietbohl
Jeffrey R. Tietbohl
Vice President

Parkowski, Guerke & Swayze P.A.


BY: William A. Denman
William A. Denman
116 West Water Street
Dover, DE 19903
Attorney for Applicant

DATED: September 3, 2013

DATED: SEPTEMBER 3, 2013

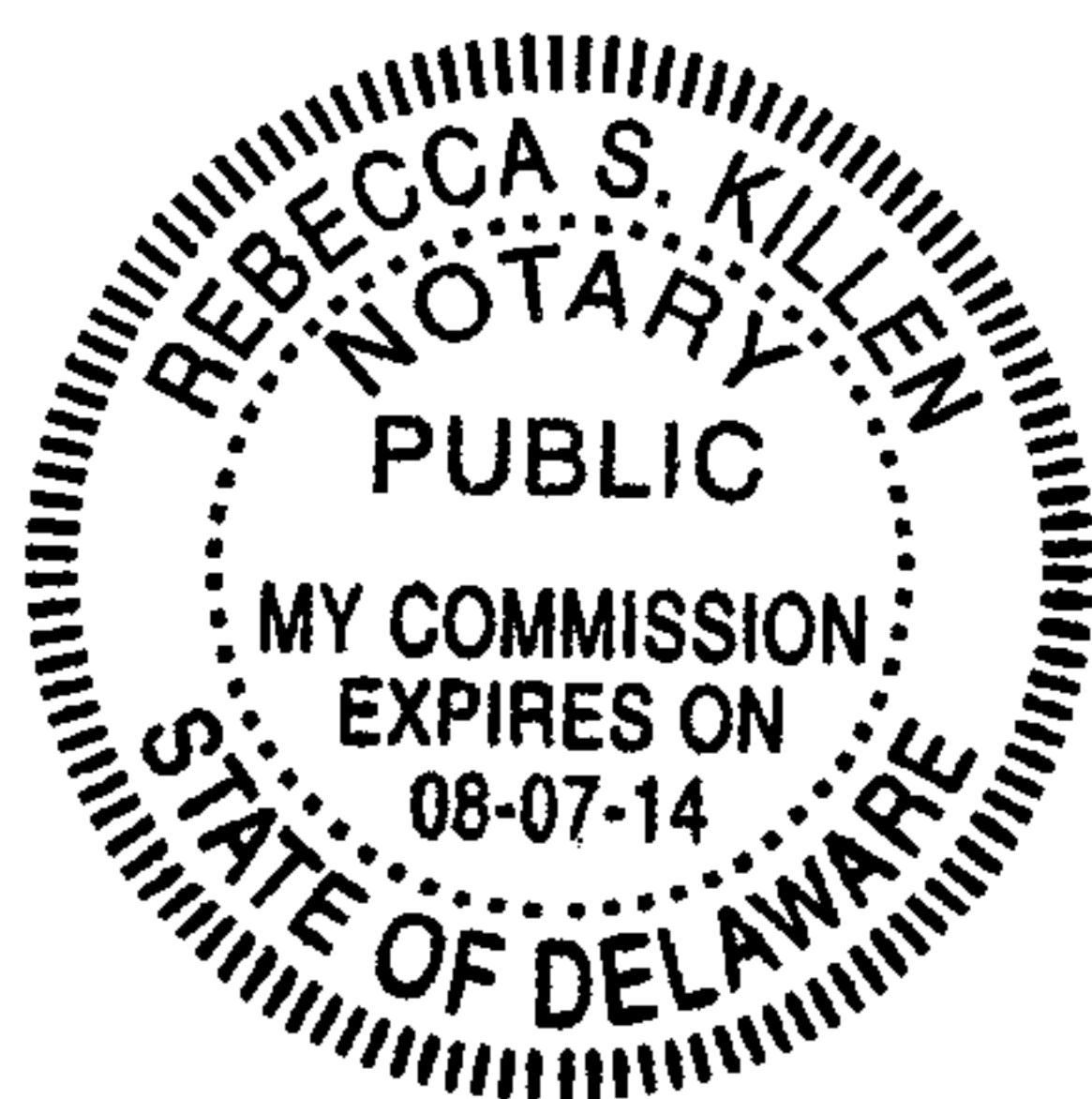
STATE OF DELAWARE)
COUNTY OF KENT)

BE IT REMEMBERED that on this 3rd day of September 2013 personally appeared before me, a notary public for the State and County aforesaid, Jeffrey R. Tietbohl, who being by me duly sworn, did depose and say that he is a Vice President for Chesapeake Utilities Corporation, a Delaware corporation and insofar as the Application of Chesapeake Utilities Corporation states facts, said facts are true and correct, and insofar as those facts are not within his personal knowledge, he believes them to be true, and that the schedules accompanying this application and attached hereto are true and correct copies of the originals of the aforesaid schedules, and that he has executed this Application on behalf of the Company.


Jeffrey R. Tietbohl

SWORN TO AND SUBSCRIBED before me the day and year above written.


Notary Public
My Commission Expires: 8-7-14



Chesapeake Utilities Corporation
Delaware Division
Development of Gas Sales Service Rates Effective November 1, 2013

Based on Total Firm Gas Costs Recoverable through GSR effective November 1, 2013

Description	Allocator	Total System Costs	Volume (Ccf)	Cost / Ccf
Fixed Gas Costs	Peak Day Capacity Entitlements	\$21,162,741	851,380	\$24.86
Variable Gas Costs	Annual Volume	\$16,785,109	35,898,652	\$0.468
Total Firm Gas Costs	Annual Volume	\$37,947,851	35,898,652	\$1.057

Development of High Load Factor Service Rates per CCF (60.83% Load Factor)

Description	Peak Day Cap. Method	System Average Cost	HLFS Average Rate
Demand Rate (\$24.86 / 222)	\$0.112		
Commodity Rate	\$0.468		
Total Gas Sales Service Rate	\$0.580	\$1.057	\$0.819
Total High Load Factor Dollars			
	Projected Sales	Rate	Total Cost
	2,798,266	\$0.819	\$2,291,780

Development of Gas Lighting Rate per CCF (100% Load Factor)

Description	Peak Day Cap. Method
Demand Rate (\$24.86 / 365)	\$0.068
Commodity Rate	\$0.468
Total Gas Sales Service Rate	\$0.536

<u>Total Gas Lighting Dollars</u>			
	Projected Sales	Rate	Total Cost
	1,240	\$0.536	\$665

Development of RS1, RS2, GS, MVS, and LVS Rate per CCF

Description	Firm Gas Cost	Volume (CCF)	Rate per CCF	Margin Sharing Rate per CCF	Final Rate per CCF
Total System Gas Cost	\$37,947,851	35,898,652			
Less : Allocated to HLFS	\$2,291,780	2,798,266			
Less : Allocated to GL	\$665	1,240			
Total Remaining System	\$35,655,406	33,099,146	\$1.077	(\$0.069)	\$1.008

Chesapeake Utilities Corporation
Delaware Division
Cost of Fixed and Variable Gas Supply Resources
Based on November 1, 2013 Gas Costs
Transportation Balancing Services

Description	Monthly Demand in DT	Annual Demand in DT	Average Monthly Rate / DT	Average Annual Rate / DT	Current Annualized Gas Cost
Storage Demand					
Columbia					
FSS (includes assoc. SST)	8,224	98,688	\$5.6778	\$68.1340	\$560,334
Transco					
GSS	2,655	31,860	\$3.3894	\$40.6724	\$107,985
LSS	580	6,960	\$4.9710	\$59.6523	\$34,598
WSS (includes assoc. FT)	1,503	18,036	\$7.8643	\$94.3717	\$141,841
ESS (includes assoc. FT)	3,776	45,312	\$12.1798	\$146.1572	\$551,890
PS Reservation	311	3,732	\$8.0390	\$96.4675	\$30,001
Fuel Retention (0.0%)	0	0			
ESNG Reservation					
MDTQ 365 Day (GSS, ESS)	6,431	77,172	\$13.0203	\$156.2434	\$1,004,801
MDTQ 181 Day (FSS)	8,224	49,344	\$16.1885	\$97.1308	\$798,804
MDTQ 151 Day (LSS, WSS)	2,083	10,415	\$16.1886	\$80.9429	\$168,604
MDTQ 90 Day (PS)	311	933	\$16.1908	\$48.5723	\$15,106
Storage Demand	17,049	204,588	\$16.6870	\$200.2443	\$3,413,964
Storage Capacity					
Columbia					
FSS	472,250	5,667,000	\$0.0289	\$0.3468	\$163,776
Transco					
GSS	131,370	1,576,440	\$0.0179	\$0.2154	\$28,291
LSS	29,000	348,000	\$0.0179	\$0.2153	\$6,245
WSS	142,830	1,713,960	\$0.0079	\$0.0949	\$13,556
ESS	31,660	379,920	\$0.0087	\$0.1040	\$3,292
Storage Capacity	807,110	9,685,320	\$0.0222	\$0.2666	\$215,160
Storage Demand & Capacity					
Columbia					
FSS	8,224	98,688	\$7.3374	\$88.0484	\$724,110
Transco					
GSS	2,655	31,860	\$4.2773	\$51.3282	\$136,276
LSS	580	6,960	\$5.8683	\$70.4196	\$40,843
WSS	1,503	18,036	\$8.6159	\$103.3910	\$155,397
ESS	3,776	45,312	\$12.2524	\$147.0290	\$555,182
PS Reservation	311	3,732	\$8.0390	\$96.4675	\$30,001
Fuel Retention (0.0%)	0	0			
ESNG Reservation					
MDTQ 365 Day (GSS, ESS)	6,431	77,172	\$13.0203	\$156.2434	\$1,004,801
MDTQ 181 Day (FSS)	8,224	49,344	\$16.1885	\$97.1308	\$798,804
MDTQ 151 Day (LSS, WSS)	2,083	10,415	\$16.1886	\$80.9429	\$168,604
MDTQ 90 Day (PS)	311	933	\$16.1908	\$48.5723	\$15,106
Storage Demand & Capacity	17,049	204,588	\$17.7387	\$212.8643	\$3,629,124
Propane Peak Shaving	10,176	n/a	n/a	\$0.00	\$0
Fixed Gas Supply Resources	27,225			\$133.3012	\$3,629,124
Storage Injection & Withdrawal					
GSS	262,740	n/a	\$0.0507	n/a	\$13,314
LSS	58,000	n/a	\$0.0301	n/a	\$1,748
WSS	285,660	n/a	\$0.0118	n/a	\$3,371
ESS	63,320	n/a	\$0.0346	n/a	\$2,192
FSS	944,500	n/a	\$0.0153	n/a	\$14,451
Variable Gas Supply Resources	1,614,220	n/a	\$0.0217	n/a	\$35,076
Half of Variable Rate For Either Injection or Withdrawal			\$0.0109		

Chesapeake Utilities Corporation
Delaware Division
Transportation Balancing Services
Development of Firm Balancing Service Rate
Large Volume Service

Fixed Gas Supply Cost	Annual Load Factor	Average Daily Load	Cost Per Gas Supply Entitlement	Average Cost per DT	Average Cost 45.79% Design Day
@ Load Factor of	10%	37	\$133.3012	\$3.6027	\$1.6497
@ Load Factor of	20%	73	\$133.3012	\$1.8260	\$0.8361
@ Load Factor of	30%	110	\$133.3012	\$1.2118	\$0.5549
@ Load Factor of	40%	146	\$133.3012	\$0.9130	\$0.4181
@ Load Factor of	50%	183	\$133.3012	\$0.7284	\$0.3335
@ Load Factor of	60%	219	\$133.3012	\$0.6087	\$0.2787
@ Load Factor of	70%	256	\$133.3012	\$0.5207	\$0.2384
@ Load Factor of	80%	292	\$133.3012	\$0.4565	\$0.2090
@ Load Factor of	90%	329	\$133.3012	\$0.4052	\$0.1855
@ Load Factor of	100%	365	\$133.3012	\$0.3652	\$0.1672
Del. Div. Weighted Average	24.02%	88	\$133.3012	\$1.5148	\$0.6936

Variable Gas Supply Cost			Average Cost per DT	Estimated Imbalance Percentage	Variable Cost per DT
Variable Commodity Rate			\$0.0109	17.41%	\$0.0019

Development of Firm Balancing Service Rate				
Fixed Capacity Rate per DT			\$0.6936	
Variable Commodity Rate per DT			\$0.0019	
Total Firm Balancing Service Rate per DT			\$0.6955	
Total Firm Balancing Service Rate per Mcf			\$0.7198	
Total Firm Balancing Service Rate per Ccf			\$0.072	

**Chesapeake Utilities Corporation
Delaware Division
Transportation Balancing Services
Development of Firm Balancing Service Rate
High Load Factor Service**

Fixed Gas Supply Cost	Annual Load Factor	Average Daily Load	Cost Per Gas Supply Entitlement	Average Cost per DT	Average Cost 23.67% Design Day
@ Load Factor of	10%	37	\$133.3012	\$3.6027	\$0.8528
@ Load Factor of	20%	73	\$133.3012	\$1.8260	\$0.4322
@ Load Factor of	30%	110	\$133.3012	\$1.2118	\$0.2868
@ Load Factor of	40%	146	\$133.3012	\$0.9130	\$0.2161
@ Load Factor of	50%	183	\$133.3012	\$0.7284	\$0.1724
@ Load Factor of	60%	219	\$133.3012	\$0.6087	\$0.1441
@ Load Factor of	70%	256	\$133.3012	\$0.5207	\$0.1232
@ Load Factor of	80%	292	\$133.3012	\$0.4565	\$0.1081
@ Load Factor of	90%	329	\$133.3012	\$0.4052	\$0.0959
@ Load Factor of	100%	365	\$133.3012	\$0.3652	\$0.0864
Del. Div. Weighted Average	60.83%	222	\$133.3012	\$0.6005	\$0.1421

Variable Gas Supply Cost			Average Cost per DT	Estimated Imbalance Percentage	Variable Cost per DT
Variable Commodity Rate			\$0.0109	3.50%	\$0.0004

Development of Firm Balancing Service Rate				
Fixed Capacity Rate per DT			\$0.1421	
Variable Commodity Rate per DT			\$0.0004	
Total Firm Balancing Service Rate per DT			\$0.1425	
Total Firm Balancing Service Rate per Mcf			\$0.1475	
Total Firm Balancing Service Rate per Ccf			\$0.015	

Chesapeake Utilities Corporation
Delaware Division
Transportation Balancing Services
Development of Interruptible Balancing Service Rate
Interruptible Transportation Service

Fixed Gas Supply Cost	Annual Load Factor	Average Daily Load	Cost Per Gas Supply Entitlement	Average Cost per DT	Average Cost @ Use of 1.00%
@ Load Factor of	10%	37	\$133.3012	\$3.6027	
@ Load Factor of	20%	73	\$133.3012	\$1.8260	
@ Load Factor of	30%	110	\$133.3012	\$1.2118	
@ Load Factor of	40%	146	\$133.3012	\$0.9130	
@ Load Factor of	50%	183	\$133.3012	\$0.7284	
@ Load Factor of	60%	219	\$133.3012	\$0.6087	
@ Load Factor of	70%	256	\$133.3012	\$0.5207	
@ Load Factor of	80%	292	\$133.3012	\$0.4565	
@ Load Factor of	90%	329	\$133.3012	\$0.4052	
@ Load Factor of	100%	365	\$133.3012	\$0.3652	
Interruptible @ 100% LFR	100.00%	365	\$133.3012	\$0.3652	\$0.0037

Variable Gas Supply Cost			Average Cost per DT	Estimated Imbalance Percentage	Variable Cost per DT
Variable Commodity Rate			\$0.0109	11.11%	\$0.0012

Development of Interruptible Balancing Service Rate				
Fixed Capacity Rate per DT			\$0.0037	
Variable Commodity Rate per DT			\$0.0012	
Total Balancing Service Rate per DT			\$0.0049	
Total Balancing Service Rate per Mcf			\$0.0050	
Total Balancing Service Rate per Ccf			\$0.001	